

**Office of
the Mayor
Burlington,
Vermont**



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**STATE OF THE CITY ADDRESS
MAYOR BOB KISS
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Good evening and welcome. I'd like to extend a special welcome to newly-elected City Councilors Bram Kranichfeld in Ward 2, Emma Mulvaney-Stanak in Ward 3, and Kurt Wright in Ward 4. Congratulations should also go to those City Councilors re-elected on town meeting day: Ed Adrian, David Berezniak, Paul Decelles, Bill Keogh, and Karen Paul.

Over the last year, we've made progress on significant projects and issues that will provide a lasting benefit for Burlington. We made important investments in the infrastructure of the City, promoting a climate for economic development and growth while making improvements that will save taxpayers money down the road. We've continued to build and identify Burlington as an arts and cultural events destination for residents and visitors alike. We've continued to support our children and schools as a critical investment in the future. And, we've continued to acknowledge human needs by pursuing a diverse, equitable, sustainable, and engaged community.

These efforts are bound together by our common commitment to a vision of Burlington that supports individuals, families, businesses, organizations and local government in their efforts to work together and thrive. As a community we have the power to do this but success doesn't happen by accident.

I said this last year but it bears repeating. Over the next year many important issues will come before this Council for review and action. We must make decisions based on the merit of the plans and proposals that we consider, not on personal or party politics. Partisanship has not and will not serve us well. We must work closely together to serve the people of Burlington and their interests. This last year has been a difficult time for many families, businesses and organizations. We cannot lose sight of this harsh reality. Yet, while there are challenges to face, our community has the durability, vitality, vision and resources to meet them along with the optimism and goodwill needed to build better lives and a better City.

Every day I am reminded that one of the City's greatest resources is our hard-working and committed workforce. There are several new faces in positions of leadership in the City. They include: Susan Leonard as Human Resources Director, Mari Steinbach as Parks and Recreation Director, and Bill Ward as the Director of Code Enforcement. This administration has worked hard to make municipal operations more effective and efficient. We've implemented new programs while maintaining the same level of staffing over the last four years. This would not be possible without the commitment of department heads and all the employees of the City. I appreciate these efforts. As a community we can never take the hard work and dedication of City employees for granted. In this spirit, let me review some of accomplishments over the past year.

Last summer, Burlington was host to one of the most significant cultural events the City and region has experienced in a long time. Burlington's Quadricentennial Celebration and the Burlington International Waterfront Festival was the centerpiece of Vermont's recognition of the 400th Anniversary of Samuel de Champlain's arrival to Lake Champlain. The 13-day event offered an endless variety of musical acts, performances, activities for all ages, and was kicked off by a spectacular fireworks display and closed with the largest parade in Vermont's history. As impressive as the Festival was, it was

also a significant investment in Burlington. The celebration brought thousands of people here and holds the promise of bringing many people back in the future.

I want to acknowledge the hard work of festival producer Jay Craven, City Arts director Doreen Kraft, and all the City Arts staff who – with the support of City departments and staff from Parks, DPW, Police and Fire – organized an event that the community can be proud of. Thank all of you for your work.

Over the last year Burlington made impressive progress on the Moran Redevelopment Project under the careful supervision and support of the Community and Economic Development Office, our architects and project developers. We have identified funding sources for the entire amount of the City's share of the project. And as promised, without placing an additional burden on local taxpayers. Negotiations continue with Ice Factor, the Lake Champlain Community Sailing Center, and our new partner the Lake Champlain Maritime Museum. In the coming months development agreements with our partners should be ready for review and support by the City Council.

The Moran Plan is the cornerstone of the next phase of Burlington's Waterfront development. It opens up the northern end of the Waterfront for improved public access and year-round activities. It will bring hundreds of construction jobs and more than 80 permanent jobs to Burlington. It will have a multi-million dollar impact on the local economy. Redevelopment of Moran is an opportunity to enhance Burlington's economic and cultural vitality, in the short and long-term. It is an opportunity that we must seize.

In November of 2008, Burlington voters approved a plan to increase funding for street maintenance and repair. The \$5.5M bond and additional two cents on the city property tax has already yielded dramatic results. We accomplished in one year what normally takes five years and we accomplished this without any support from federal Recovery funds. Congratulations to the Department of Public Works for coordinating and

implementing this expanded program. It was efficient and minimized inconvenience even during a paving season that had its share of weather-related challenges.

Over the next two years, residents will continue to see an enhanced paving program with on-going street maintenance. Street repaving not only smoothes the way for drivers and bicyclists. Good roads attract and retain businesses, promote tourism, and make Burlington a better place to live. This administration's pursuit of sustainable funding for road maintenance and repair is an investment that will pay dividends years into the future, supporting economic vitality while saving taxpayers the direct costs of deferred maintenance.

One road project bears special mention. In January the Federal Highway Administration gave the City the green light to proceed with the development of the Champlain Parkway. Given the long history of this project, this is a significant step forward. The final step in this process is Vermont's Act 250 review and approval. Construction of The Champlain Parkway could begin early next year.

The Champlain Parkway is a far cry from the four-lane, limited access highway originally proposed more than forty years ago as the Southern Connector. Instead, today's Parkway is a modest boulevard that will be integrated into the City's existing street plan.

The Champlain Parkway will be more than just another road. In the short-term the Parkway will create construction jobs. But, the Champlain Parkway will provide cumulative benefits for the City in many more ways. It will deliver much needed relief from truck traffic for south end residential neighborhoods. It will include amenities such as appropriate lighting, stormwater containment, bike and pedestrian access, and signalized intersections at various points along its route that will improve traffic flow and public safety. There will also be new opportunities for public transportation and parking outside of the downtown as well as a better climate for economic development.

Schools, like roads, are also investments that are important to Burlington's future. In September of last year, the Burlington School District initiated two ambitious new school programs. The Sustainability Academy at Lawrence Barnes Elementary School and the Integrated Arts Academy at H.O. Wheeler Elementary School are Vermont's first magnet schools. They provide families and children with options for new ways of learning about the world, and they have the promise to reach the community's goal of socio-economic equity in our schools.

Five years ago, Barnes school was at risk of closing and our commitment to neighborhood schools was threatened. These new academies are a credit to the dedication and work of Superintendent Jeanné Collins, the School Board, teachers and other staff, and numerous parents, children and community members. Everyone who participated in this process should be recognized and applauded for the time and effort it required to pursue new ideas and to support excellence and equity.

On March 25th I had the pleasure of attending the annual Neighborhood Night of Success here in a packed Contois Auditorium. We honored over 50 residents who were nominated by their neighbors for their contribution to their neighborhoods and community. I want to report that community engagement and participation is alive and well in Burlington.

CEDO's Center for Community and Neighborhoods supports the City's five Neighborhood Planning Assemblies and coordinates the City's Americorp program and its 70 Americorp volunteers. Volunteers support family engagement in our schools and help with access to after-school programs, financial literacy and affordable transportation. In 2009, they volunteered over 40,000 hours of service to the community, and they are expected to volunteer 50,000 hours in 2010. I know there are Americorp/VISTA

members in the audience – and I want to thank all of you for the work you do to serve Burlington.

Last year CEDO partnered with the Burlington Police Department to implement a graffiti remediation program. The Graffiti Removal Team finished its first season of operation with 1,241 sites cleaned through the assistance of 103 volunteers donating a total of 417 hours of community service time.

CEDO's Lead safety program recently made its 200th home safe from lead-based paint hazards. With the involvement of community partners, CEDO spearheaded the development and adoption of Vermont's only municipal ordinance designed to protect children from lead poisoning. Last summer, the U.S. Conference of Mayors recognized the City's Lead program with an "Award of Distinction," given to only three Cities for excellence in working to make their communities lead-safe. This distinction carried a DuPont cash award of \$50,000 as an enhancement grant to the City's lead program work.

In addition, over the past year CEDO business developers helped 24 new businesses start up, 17 more businesses expand, organized the Winter Business Fair, while providing advice to hundreds of individuals about starting, expanding, relocating, or reorganizing a business in the City of Burlington.

Burlington has also made significant progress on several environmental initiatives. The Department of Public Works implemented a major stormwater management program that will help protect Lake Champlain now and for future generations. The City's Legacy Project and Planning Department completed a comprehensive rewrite of its Climate Action Plan, involving hundreds of residents, local organizations, and other stakeholders. With other municipalities across Vermont, the City successfully pursued state-wide legislation which enables the local creation of a Clean Energy Assessment District. Burlington voters approved creation of a such an Assessment District on Town Meeting

Day. This will make energy efficiency and renewable energy improvements more affordable and desirable for property owners. Creation of a Clean Energy Assessment District and implementation of the P.O.W.E.R. program - Property Owners Win with Efficiency and Renewables - will build on the work that the Burlington Electric Department has spearheaded in the City for 20 years.

In 2009, led by the Clerk-Treasurer's Office and Legacy Project, the City piloted a centralized purchasing program that focused on environmentally-preferable products. This successful pilot has reduced costs, increased efficiencies, and helped save environmental resources. The Legacy Project and Planning Department also spearheaded a waste reduction pilot program to improve the City's recycling efforts and begin the implementation of composting in City offices. The Mayor's Burlington Sustainability Action Team, with representatives from each department, has been integral to these efforts.

The City is fortunate to have a municipally owned electric department like BED with a mission that is aligned with regional, national, and international climate protection efforts. The nitrous oxide reduction system at BED's McNeil Plant enables BED to sell renewable energy credits based on clean and renewable energy produced by McNeil. BED hopes to have 100% of its power from renewable energy sources within the next five years. BED also received a \$7.5 million "smart grid" grant award, as part of a statewide application for federal Recovery funding, to invest in technology that will allow customers to reduce their power demand by using electricity more efficiently.

Last year the Burlington Police Department completed a comprehensive reassessment of its community policing program. The City's police force now includes a street outreach interventionist and community service officer. This allows for more effective responses to the broad range of calls the department receives, while freeing up the time of sworn officers for other needs.

Burlington is better-prepared than ever to respond to emergency events. The City's Fire Department coordinated a major emergency operations training held over five days in Emmetsburg, Maryland, that included City staff from every department and representatives from area institutions, organizations, and the state. In a lead role, the Burlington Fire Department also completed the City's comprehensive Emergency Operations Plan for adoption by the City Council. This included the development of a pandemic flu plan in coordination with the Code office.

The City's police and fire Department employees have an exceptional track record responding to public safety incidents as well as meeting the community's broader needs. I know the people of Burlington appreciate their professionalism, skill, good will, and commitment to the City.

Planning & Zoning is a good barometer of development activity in the city. Permit requests in Fiscal Year 2009 showed a 4 percent increase from the previous year. In 2010, permit requests are keeping pace with 2009 but with permit revenues at only about half of last year. Despite the economic downturn, projects on the horizon for next year include a new hotel on Cherry Street, the redevelopment of the Thayer School on North Avenue for elderly, affordable, and market-rate housing, and a new and substantially expanded building to meet healthcare needs by the Community Health Center on Riverside Avenue, among others.

The Planning Department has completed a re-mapping of the Winooski River flood plain which documents a significant reduction in the extent of the regulatory floodway. This will ease restrictions on agricultural activities in the Intervale while continuing to protect flood-prone property. New FEMA Flood Hazard Maps should be published over the next several months

Business is clearly up at the Library. In almost every measurable category the Library in 2010 exceeds prior activity. More kids, more cardholders, more volunteers, more people through the door, more items in the collection, and more computer center log-ins than ever before. And the Library parking lot is the second in the City to use pervious concrete to help reduce the harmful effects of stormwater run-off.

Over the past year the HR department completed a comprehensive rewrite of the City's personnel manual. HR and the Clerk-Treasurer's Office continued exemplary efforts to promote wellness for City employees and reduce Workers Compensation claims – dropping the total projected cost for Workers Compensation claims by \$515,000. Looking forward, the HR department will focus on implementing an integrated Payroll and Accounting system that will save money, reduce paperwork and help maximize operational efficiencies.

The City Attorney's Office deals with many challenging legal issues. Some are routine and some are complex and require extensive litigation. Last May, after years of litigation, the City prevailed before the Vermont Supreme Court in litigation filed originally against Adelphia and Verizon, replaced by Comcast and Fair Point, to pay their share of the underground relocation costs related to the street reconstruction projects on North Street and Riverside Ave. This major victory resulted in a total settlement of over \$900,000 to the City.

In 2009 the City implemented several initiatives to improve public access to information. Through efforts of the Clerk Treasurer's Office and IT department, more information than ever before about public meetings is now on the City website. Most City Council meeting documents and agendas for most commissions and committees now are on-line. The Planning Department has an online report of all active zoning permit applications which is updated every day and is also available in an interactive Google map format. In the coming months the City will unveil an interactive GIS-based program on the City's

website that will improve public access to information and promote inter-departmental efficiencies.

2009 was a period of transition for the Parks & Recreation Department. During this time the Department continued to provide high quality programming and services to the public. Special thanks to all of the Parks and Recreation employees who made this transition a success.

On the Marketplace, entertainment, along with rich and varied hospitality and retail opportunities, continue to draw City residents, people from New England and people from around the world, downtown. Over this past weekend crowds gathered here to celebrate an early spring and to enjoy Burlington. The Marketplace has installed a new LED streetlight in front of Halvorson's Upstreet Café as part of a green building strategy. The Marketplace is seeking feedback on the design and ambience of this light fixture. Let us know what you think about it. And good news, the long-awaited statue honoring Big Joe Burrell is expected this summer—hopefully in time for this year's Jazz Festival.

In 2009 Burlington's airport saw the second-highest number of travelers in its history, with just under 1.5 million passengers. While this is a decrease from 2008 of 5.8 percent, it comes in comparison to double-digit passenger losses in many airports across the country. The Burlington International Airport continues to lead the way in its commitment to energy efficiency, performing a major energy audit in 2009 which will result in saving 250 KW of electricity per year. In 2010 the Airport will look to solidify plans for a new aviation technical center which will bring job training, good jobs, and enhanced economic opportunity to the region. And, the Airport will move forward with a planned \$21.5 million garage expansion project, approved by voters in March, to meet customer demand as well as implement solar and potentially wind projects to meet energy demands. Both the parking garage and aviation technical center are important contributions to the greater Burlington metropolitan area's economic future.

The City Assessor reports that property values are stable for the past three years. Appraised value is within 90% of market value and there is equity within property groups in the City. Independent reports continue to acknowledge Burlington as a good place for real estate investment with steady value. Although the City's local option sales tax collection is down about 8.5%, the City's gross receipt tax is holding steady with last year. In general, the news is good. Revenue is consistent with projected City budgets and Burlington is well-positioned to stay the course and to move forward.

Even with a remarkable story of success across all of the Departments of the City, municipal operations are never without their risks and challenges. Concern over the cost of financing the City pension fund continues to be serious and future costs are a critical element of negotiations with all four of the unions representing City employees. However, I appreciate that the most significant challenge we face now is preserving one of the City's most important assets, Burlington Telecom.

BT provides Burlington with a high quality fiber to the home and business "triple play" infrastructure with cable, phone and internet capacity, designed to meet the information demands of today and with the resiliency to meet information demands 50 years into the future.

Despite the fact that in 2009 BT subscriptions were up 11% and revenues were up 20% the project's cash flow is still inadequate to meet all of the regular operations, capital investments, principal and interest costs. Uncertainty regarding Burlington Telecom and city cash flow precipitated a down-grade in Burlington's credit rating by Moody's. Moody's has placed the City on a 90-day watch period, which gives the City an opportunity to address these concerns.

The challenges facing Burlington Telecom and the City are in part the result of what is widely acknowledged as the worst economic downturn since the Great Depression. We did not predict the extent or depth of the international economic crisis. It prevented the timely implementation of our business plan including re-financing. When the market recovered and we could have pursued refinancing a majority of the Council rejected that option.

I want to make it clear to the people of Burlington that all along my only goal was, and is, to protect their interests. Our track record shows that this Administration takes fiscal responsibility seriously. As we move forward we will continue to put these same interests first and we promise to keep you informed of our progress.

The Administration, Blue Ribbon Committee, consultants to the Blue Ribbon Committee, Public Service Department, and the City's new financial advisors, Dorman and Fawcett, all have or will make recommendations concerning the future of Burlington Telecom. What is clear is that the technology of BT is sound. What we've invested in works and this system will continue to be an important resource and investment into the future. Burlington benefits from a municipally owned and operated telecommunications company. In a fiercely competitive market, BT must continue to be the premier provider of municipal telecommunications service for all of Burlington and potentially across Vermont.

The City's accomplishments would not be possible without the work of the City Council, various Boards and Commissions, our Congressional delegation in Washington, countless institutions, organizations and businesses, our representatives to the State legislature, and an active and engaged citizenry. Just as we should acknowledge our joint efforts in Burlington's successes, we should face our challenges together with civility, cooperation, and a sense of fairness.

All in all, in this small corner of the world we have persevered. The next two years may be harder. Federal investment and support will decrease after the infusion of Recovery funding available in FY10. The budget debate in Montpelier with anticipated cuts of \$150M for FY11 and the slight of hand debates over Challenges for Change, “now you see \$38M dollars, now you don’t,” are a measure of things to come. Redefined federal and state priorities will soon shift costs to local government. We will need to be creative and effective to meet local needs.

Internationally, deep investment in military commitments to Iraq and Afghanistan leaves little room for new initiatives in economic development from Washington. It is certainly worth noting that the promise of “healthcare for all” has a federal toehold. Let’s celebrate and acknowledge progress is being made.

From April 27 to May 2, Burlington will host 11 visitors from Yaroslavl, Russia--our sister city. This relationship has endured for over 20 years. Yaroslavl is celebrating its 1000th anniversary in 2010. The visitors from Yaroslavl include dancers, musicians, and political officials including one of the City’s vice-Mayors.

In closing tonight, I want to invite you to a public reception for our friends from Yaroslavl at the Firehouse Gallery on May 1st from 2 p.m. to 5 p.m. Lets be inspired by Yaroslavl as we work together to renew our commitment to sustainability, diversity, inclusion, cultural and economic development. Let’s continue to build a foundation for Burlington’s 1000th anniversary. If we do that, Burlington is sure to succeed.